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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
)	WT Docket No. 96-148
Geographic Partitioning and Spectrum)	
Disaggregation by Commercial Mobile)	
Radio Services Licensees)	

COMMENTS OF SHE COMMUNICATIONS INC.

Now comes SBC Communications Inc., and on behalf of its wireless affiliates, ¹ files these comments in support of the Commission's tentative conclusion that cellular carriers should be allowed the same flexibility as broadband PCS providers in regards to geographic partitioning and spectrum dissaggregation. SBC Communications, through its various affiliates, operates cellular systems in over 70 markets throughout the United States, including 6 of the nation's top 15 markets, was the successful bidder for the A-block PCS license in Tulsa, Oklahoma and the successful bidder for 8 markets in the recently completed C and D-block licenses.

The Commission has recognized that allowing geographic partitioning and spectrum disaggregation furthers its goals of "encouraging flexible use of CMRS spectrum, eliminating entry barriers, reducing regulatory barriers, encouraging competition, and expediting services to

¹ Southwestern Bell Mobile Systems, Inc. and Southwestern Bell Wireless Inc.

the largest number of users."² The Commission notes that adopting such flexibility allows licensees to respond to public demands for service as well as providing the opportunity and ability to introduce innovative services and technologies.³ Such flexibility also allows licensees to respond to market forces and demands thereby permitting and promoting the operation of competitive market forces.⁴ Thus, the Commission has modified its broadband PCS rules to provide for geographic partitioning and spectrum disaggregation.

The same rationale and benefits which support partitioning and disaggregation for broadband PCS providers supports similar flexibility for cellular licensees. To deny such flexibility to cellular licensees would be directly contrary to the Commission's goal, and the congressional intent, of regulatory parity amongst wireless carriers. As the Commission has recognized, the legislative intent behind the Omnibus Budget Reconciliation Act of 1993 was to create "regulatory symmetry among similar mobile services."

Allowing partitioning and disaggregation, or a combination thereof, will provide cellular carriers the flexibility "they need to respond to market forces and demands for service relevant to their particular locations and service offerings" — the same flexibility that the Commission has granted broadband PCS providers.

² In the Matter of Geographic Partitioning and Spectrum Disaggregation by Commercial Radio Services Licensezs. WT Docket No. 96-148, paragraph 2 (released December 20, 1996). (<u>Report and Order</u>)

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^{*} Id.

⁵ In the Matter of Implementation of Sections 3N and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, Second Report and Order, paragraph 2 (1994).

SBC agrees with the Commission's proposal that parties obtaining partitioned cellular licenses or disaggregated spectrum should hold the license for the remainder of the original licensee's ten-year license term. While the procedure in the past for cellular may have been that the partitioned licensee term would begin anew from the date the partial assignment application was granted, for the purposes of regulatory symmetry, SBC believes that the rules should mirror that of broadband PCS providers as adopted in the Report and Order.

⁷ Report and Order, paragraph 109.

CONCLUSION

For the reasons stated herein, cellular licensees should not be placed at a disadvantage but rather should have the same flexibility in regards to geographic partitioning and spectrum disaggregation as that adopted for broadband PCS providers in the Report and Order.

February 10, 1997

Respectfully Submitted,

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